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FOR IMMEDIATE RELEASE

Chattanooga homeowners can now build accessory dwelling units on their property

Chattanooga City Council voted Tuesday to approve an ordinance allowing accessory dwelling units on single-family lots under certain conditions, which will help increase housing affordability by increasing the supply of homes

Chattanooga, Tenn. (Wednesday, May 25) — In a major step toward Chattanooga Mayor Tim Kelly's initiative to increase access to homes that residents can afford, Chattanooga City Council voted Tuesday to approve an ordinance allowing homeowners living on single-family lots to build accessory dwelling units on their property under certain conditions.

Accessory dwelling units, alternatively known as in-law suites, carriage houses or granny flats, are often found above garages, in a detached structure, or either above or below the principal dwelling. Their construction will help address the City's current deficit of more than 5,000 housing units while providing space for seniors to age in place and for multi-generational households to live together.

"We've reached a critical point where many Chattanoogans are worried about being priced out of living in Chattanooga," said Kelly. "This ordinance offers an immediate opportunity for residents to increase their property values and the City's affordable housing supply, all while maintaining the character of our neighborhoods."

According to the new ordinance, accessory dwelling units must be permanent structures limited to 700 square feet in size, and only one accessory dwelling unit will be permitted per single-family dwelling. The unit cannot be in the front yard setback. They will also be height-limited to two stories when the height of the primary home is more than one-story, or no more than 24 feet when the primary home is one-story.

The ordinance does not supersede homeowner association rules or historic district guidelines related to accessory dwelling units, and existing parking must be maintained or replaced if parking is lost in the course of creating the accessory dwelling unit. ADUs must follow all design standards applicable to single-family detached houses.

The new ordinance represents an early step in Kelly's strategy to expand access to homes Chattanoogans can afford, as outlined in his recently released <u>One Chattanooga plan</u>. Last month, Kelly launched a \$100 million <u>affordable housing initiative</u>, and included an unprecedented \$33 million in this year's budget to help create thousands of affordable housing units, ranging from supportive housing up to middle-income homes. The city is working on funding the remainder of the initiative in conjunction with the philanthropic, nonprofit and private sectors by creating a capital stack that offers a return on investment for those who help create homes that residents can afford.

As part of that effort, the city is conducting a top-to-bottom redesign of its zoning codes, which in some cases currently make it difficult for builders to construct the types of housing that most residents can afford.

The city is also supporting a council initiative to rethink short term vacation rentals, which often vacuum up residential property at commercial prices and prevent residents from accessing those homes.

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